AIDS & BUSINESS BRAZIL'S SURGE DECODING TAX REFORM

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FORTUNE

SEPTEMBER 15, 1986

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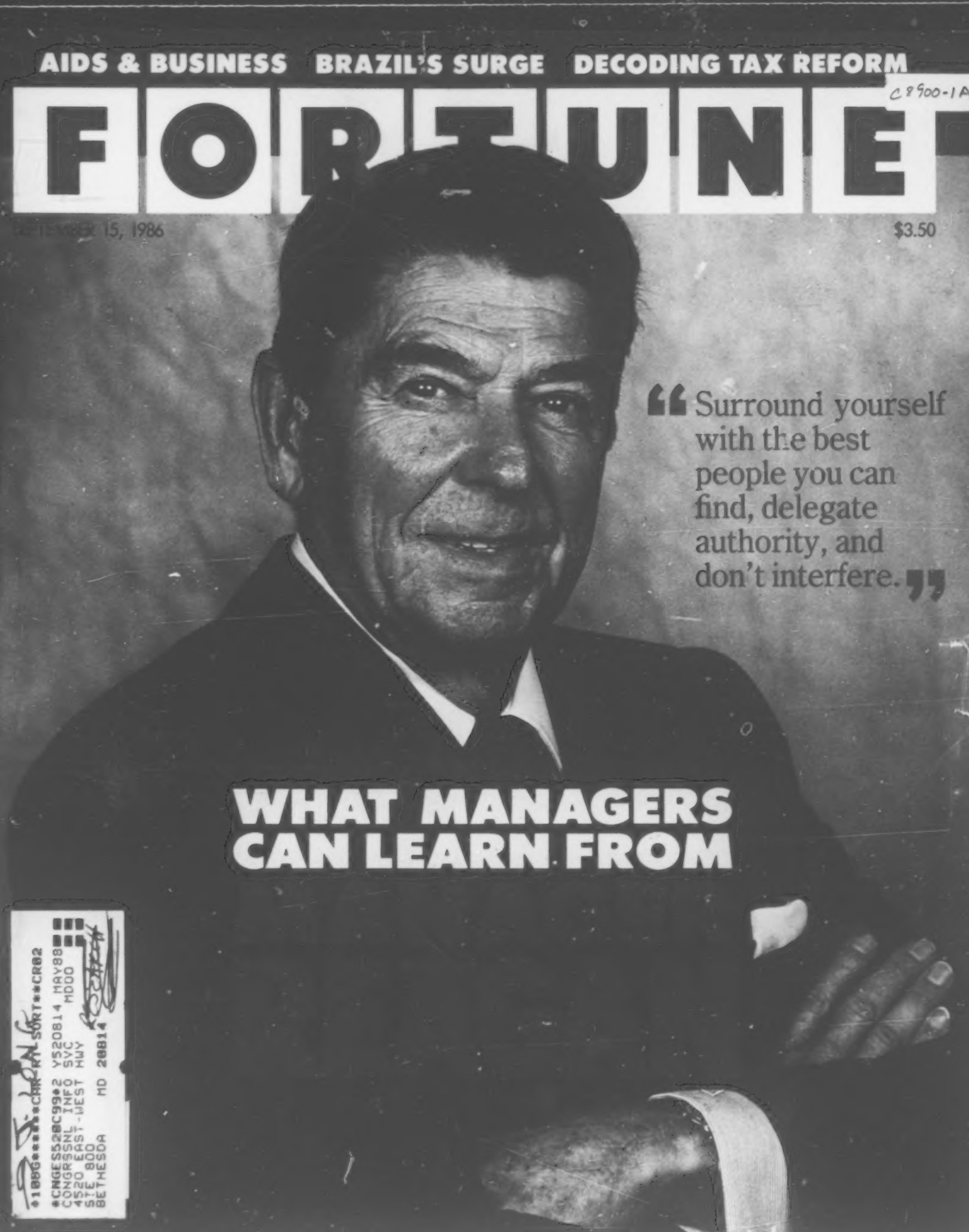

"Surround yourself with the best people you can find, delegate authority, and don't interfere."

WHAT MANAGERS CAN LEARN FROM

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SEPTEMBER 15, 1986

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Bill Hayward set up a studio in the Cabinet room, next door to the Oval Office, to take his cover photo of the President. *See page 32.*

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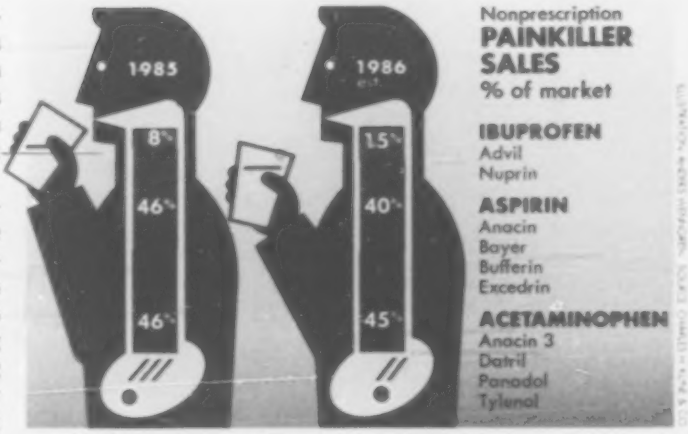
curities law," says John C. Coffee Jr., a professor of securities and criminal law at Columbia University. "The question is whether you apply it against a firm that took steps to prevent insider trading."

Coffee says that while Lehman or other firms Levine worked for may have discouraged insider trading, the courts will have to decide if those firms are liable for not monitoring their employees or not doing enough to prevent the insider trading. Says Coffee: "While it may not be good etiquette to sue a major investment bank, this could be a signal to other takeover bidders."



Advil, Nuprin, and other ibuprofen products are heading toward 15% of the over-the-counter painkiller market by the end of the year. The products listed alphabetically in each category are leading brands.

New headaches in the painkiller market

■ A major new battle is about to begin in the $1.7-billion-a-year market for over-the-counter painkillers. On September 24 the Food and Drug Administration will open up the ibuprofen market that **American Home Products** and **Bristol-Myers** have had to themselves for two years. No one ever said American Home's little brown Advil tablets or Bristol-Myers's yellow Nuprin cured all aches and pains better than aspirin or Tylenol, but some drug industry experts thought smart marketing would give ibuprofen one-third of the market by 1990.

It has a way to go. By year-end ibuprofen will have swallowed about 15% of the market, stealing share primarily from aspirin (see chart). American Home and Bristol-Myers launched their products with giant advertising budgets, and neither has yet made much money on the drug. But many companies, including **Johnson & Johnson**, **Sterling Drug**, and **Upjohn**, think ibuprofen will help them grow in a fairly mature industry and are moving in to compete.

Most of the entrants will avoid going head-to-head with Advil and Nuprin. Instead they will advertise their products as menstrual-pain relievers, a $65-million market. "You're bound to be No. 3 or worse if you enter the general painkiller market two years late with no point of difference," says Robin Mills, 42, president of Sterling Drug's Glenbrook Laboratories. "By going after a segment, you can be No. 1." Glenbrook's new ibuprofen-based Midol 200 has a name-recognition advantage; the company's aspirin-based Midol is the leader in the cramp-relief market.

The new ibuprofen pills will vary in shape and color but otherwise have the same ingredients and dosage as Advil and Nuprin. Success will come down to marketing. American Home beat Bristol-Myers to market in 1984 and spent more on advertising. Today Advil outsells Nuprin by around 3 to 1. Last year about $35 million in Advil advertising produced retail sales of more than $85 million; Bristol-Myers's estimated $25 million brought sales of only around $35 million for Nuprin. Both companies are expected to boost ad budgets. Says Oleh Denysyk, who tracks the drug industry for Charles H. Kline, a New Jersey consulting firm: "These companies spent their guts out the first two years. Now they're going to do it all over again."

Cloneless Macintosh

■ **IBM** maintains a tight grip as the No. 1 supplier of personal computers for big corporate users, though El Cheapo PC clones keep nipping at IBM's share of the $9-billion-a-year market. **Apple Computer**'s fast and versatile Macintosh hangs in there as a distant No. 2 among corporate PC buyers, with no pesky Mac-clone in sight. Last year a mere one-third of the Macintoshes sold reached businesses. This year the number sold to business users has jumped to 60%. Says David Norman, chief executive of computer retailer **Businessland**: "The buyers aren't the people in T-shirts and jeans anymore, but guys in blue suits."

Gates and Sculley at unveiling

In the face-off with El Cheapo, Apple's Macintosh has a fast draw: The price of a Mac may be higher than a PC clone, but the Mac is so easy to use that training costs are low. Besides, Apple rewards dealers with good margins, while those on a clone tend to be as paltry as the price. In this confused market, dealers back Mac any chance they get.

Impressed by the Macintosh's office inroads, software developers have loosed a flood of new business products for the machine. **Ashton-Tate**, whose dBASE program is the leading data processing package in the PC market, recently introduced an Apple version of dBASE. **Microsoft**, which already sells more than half of all software used on the Macintosh, has just released a $295 package aimed at the small-business market. The new package, unveiled by Microsoft Chairman Bill Gates, combines word processing, data management, a spreadsheet, and a program for telecommunications.

At Apple headquarters in Cupertino, California, the gloom that has prevailed through a couple of turbulent years is lifting along with profits. They sank last year to $61 million on